(d) All field formations of the Customs Department including Directorate of Revenue Intelligence are alert to detect and prevent smuggling of contraband goods including those of Chinese, Nepalese and Bangladeshi origin into the country. Strict vigil is being maintained at all vulnerable points to thwart attempts to smuggle such goods into the country.

Public Sector Debts

548. SHRI S. AGNIRAJ: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the country is facing a debt trap;

(b) if so, the reasons therefor;

(c) what steps are being taken to come out of the debt trap; and

(d) what steps have been taken to contain huge public sector debts in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) The domestic debt/GDP ratio of the combined Government sector (Central and States) increased from 56.2 per cent as at the end of March,-1991 to 61 per cent as at the end of March, 2001. The interest payments as a percentage of revenue receipts of the Central and State Governments increased from 23.6 per cent in 1990-91 to 31.2 per cent in 2000-01.

The Central Government has accorded high priority to curb fiscal deficit with a view to strengthening fiscal consolidation process and has taken several expenditure management measures viz. Zero-based budgeting, review of subsidies and their rationalisation, reduction in administered interest rates, etc. Government has also introduced Fiscal Responsibility and Budget Management Bill, 2000. The Bill provides, inter-alia, for a legal and institutional framework to eliminate revenue deficit, bring down the fiscal deficit and contain the growth of public debt as a proportion to GDP within a time-frame.

Tax Evasion by Stock Brokers

549. SHRI CHO S. RAMASWAMY: Will the Minister of FINANCE be pleased to state:

(a) the number of incidents of huge tax evasion by stock brokers across the country reported so far this year;

(b) the total amount of tax evaded by them individually;

(c) the number of those prosecuted so far;

(d) the steps being taken to prevent such type of tax evasion in future; and

(e) whether it is a fact that the process of investigating is lacking momentum and is very slow and if so, the reasons therefore and the steps being taken to speed up the process?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHR1GINGEE N. RAMACH ANDRAN): (a) and (b) Penalties under the Income Tax Law have been imposed in eight cases of Stock Brokers for concealment of income of Rs. one crore and above during the Financial Year 2001-02 (up to 31.1.2002). The total amount of tax evaded in these cases works out to Rs. 307.3 crores.

(c) Prosecution is not yet launched in these cases. Some of the cases are being processed for prosecution while in some other cases appeals are pending. In one case, the assessee has expired.

(d) Necessary action under the provisions of Income Tax Laws is taken to prevent such type of tax evasion.

(e) No, Sir.

Status of Assured Income Based Schemes

550. SHRI KARNENDU BHATTACHARJEE: Will the Minister of FINANCE be pleased to state:

(a) the present status of US-64 schemes as also other various assured income schemes;

(b) whether the monthly income schemes issued from time to time are secured and the depositors would be paid back their money on maturity on due dates; and

(c) if not, the reasons therefor and what steps are proposed to be taken to prevent another s?am with regard to these schemes wherein the common and the poor people have deposited their hard-earned money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) The US-64 scheme of the Unit Trust of India (UTI), has become Net Asset Value (NAV) based with effect from January 1, 2002, and fresh sales and repurchases of units of the Scheme are effected at NAV related prices now. UTI has increased the lir-.it under the